



Patrick W. Henning, Director
August 6, 2008
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Arnold Schwarzenegger
Governor

Ms. Colleen Mooney, Executive Director
South Bay Center for Counseling
360 North Sepulveda Boulevard, Suite 2075
El Segundo, CA 90245

Dear Ms. Mooney:

WORKFORCE INVESTMENT ACT
15-PERCENT PROJECT REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2008-09

This is to inform you of the results of our review for Program Year (PY) 2008-09 of the South Bay Center for Counseling's (SBCC) administration of its Workforce Investment Act (WIA) 15- Percent Los Angeles Refinery and Manufacturing Maintenance Training Project (LARMMTP), Subgrant Number R764681. Mr. David Davis conducted this review from July 21, 2008 through July 28, 2008. For the program operations portion of the review, we focused primarily on the areas of program administration, participant eligibility, WIA activities, monitoring, if applicable, and management information system/reporting. For the financial management portion of the review, we focused primarily on the areas of accounting systems, expenditures, allowable costs, cost allocation, reporting, cost pools, indirect costs, cash management, internal controls, program and interest income, single audit, if applicable, and property management. For the procurement portion of the review, we focused on procurement competition, cost and price analyses, and contract provisions.

We conducted our review under the authority of Sections 667.400(c) and 667.410(b)(1)(2)(3) of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by SBCC with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations, financial management and procurement.

We collected the information for this report through interviews with SBCC representatives, service provider staff, and WIA participants. In addition, this report includes the results of our review of sampled case files for participants enrolled in the WIA 15-Percent LARMMTP Project; a review of SBCC's response to Sections I and II of the 15-Percent Program On-Site Monitoring Guide; applicable policies and procedures; and a review of documentation retained by SBCC for a sample of expenditures and procurements.

BACKGROUND

The SBCC was awarded \$500,000 to operate a WIA 15-Percent Project to serve 172 WIA participants from February 1, 2007 through December 31, 2008. For the quarter ending June 30, 2008, SBCC reported that it spent \$314,393 and enrolled 172 participants. We reviewed case files for 26 of the 172 participants enrolled in the WIA project as of July 21, 2008.

PROGRAM REVIEW RESULTS

We conclude that, overall SBCC is meeting applicable WIA requirements concerning grant program administration.

FINANCIAL MANAGEMENT REVIEW RESULTS

We conclude that, overall SBCC is meeting applicable WIA requirements concerning financial management.

PROCUREMENT REVIEW RESULTS

We conclude that, overall SBCC is meeting applicable WIA requirements concerning procurement.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. As you know, it is SBCC's responsibility to ensure that its systems, programs, and related activities comply with the WIA, related Federal regulations, and applicable State directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain SBCC's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Mr. David Davis at (916) 654-8332.

Sincerely,



JESSIE MAR, Chief
Compliance Monitoring Section
Compliance Review Division

cc: Stephen Amezcua, MIC 50
Shelly Green, MIC 45
Janet Murray, Board Chairperson